NOTICE OF RULE MAKING

Pursuant to one or more of the following Arkansas Codes, 20-76-201(13), 20-10-211(a), 20-10-203(b), 20-76-433, 20-77-102, 20-77-603, 25-10-129, the Director of the Division of Medical Services hereby issues the following proposed changes in the Medical Assistance Program under Title XIX of the Social Security Act:

Effective November 1, 2004, the Arkansas Department of Human Services proposes to extend the upper payment limit reimbursement methodology for non-state public hospitals (42 CFR, section 447.272) to hospitals that meet the following criteria: Non-state government owned or operated acute care regional medical center hospitals located outside of Arkansas (that is, acute care hospitals outside of Arkansas that are neither owned or operated by any state) that - a) provide level 1 trauma and burn care services; b) provide level 3 neonatal care services; c) are obligated to serve all patients, regardless of State of origin; d) are located within a Standard Metropolitan Statistical Area (SMSA) that includes at least 3 States, including Arkansas; e) serve as a tertiary care provider for patients residing within a 125 mile radius; and f) meet the criteria for disproportionate share hospital under Section 1923 of the Social Security Act in at least one State other than the one in which the hospital is located.

The proposed policy is available for review at the Division of Medical Services, Program Planning and Development, 2nd floor Donaghey Plaza South Building, 7th and Main Streets, P. O. Box 1437, Slot S295, Little Rock, Arkansas 72203-1437. You may also access it on the Medicaid website (www.medicaid.state.ar.us), and download it from the "Proposed Rules For Public Comment" section of the website's *General* menu. Policy accessed from this location will be watermarked with the word "Proposed". All comments must be submitted in writing no later than September 14, 2004.

If you need this material in a different format, such as large print, contact our Americans with Disabilities Act Coordinator at 682-6789 and 1-877-708-8191. Both telephone numbers are voice and TDD.

The Arkansas Department of Human Services is in compliance with Titles VI and VII of the Civil Rights Act and is operated, managed and delivers services without regard to religion, disability, political affiliation, veteran status, age, race, color or national origin.

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Roy Jeffus, Director Division of Medical Services

Date: August 16 - August 18, 2004